

**ATTACHMENT II**  
**Text of Proposed New 19 TAC**

**Chapter 61. School Districts**

**Subchapter AA. Commissioner's Rules on School Finance**

**§61.1020. Excess Funds for Video Surveillance of Special Education Settings.**

- (a) General provisions. This section implements the Texas Education Code (TEC), §42.2528 (Excess Funds for Video Surveillance of Special Education Settings). If the commissioner of education determines that appropriated funds are highly likely to exceed expenditures under the Foundation School Program (FSP) for the biennium after accounting for all critical FSP data required to make accurate expenditure estimates and there is sufficient funding remaining to provide for a grant program under the TEC, §42.2528, the commissioner shall make a grant application available to apply for funds to cover the cost of purchasing video equipment for use in implementing the TEC, §29.022, and announce the amount of funds available.
- (b) Eligibility. School districts and charter schools that have purchased or that intend to purchase video equipment for the purpose of implementing the TEC, §29.022, may apply for funds necessary to reimburse the cost of such equipment. Purchases made after September 1, 2015, that have not been previously reimbursed under this grant program or through gifts, grants, or donations under the TEC, §29.022(f), are eligible to apply.
- (c) Application process. School districts and charter schools must submit a separate application request in each year that excess funds are made available. The application shall contain, at a minimum, the following:
  - (1) a description of the type of equipment to be purchased or that has been purchased using funds provided under this section;
  - (2) a description of the intended use of the equipment to be funded using funds provided under this section; and
  - (3) an itemized account of the cost of the equipment to be funded using funds provided under this section.
- (d) Finality of award. Awards of assistance under this section will be made based on the information available to the Texas Education Agency as of the deadline for receipt of applications for that application cycle.
- (e) Data sources. The maintenance and operations tax rate and the interest and sinking tax rate will be based on data from the comptroller of public accounts property tax assistance division for the current school year. Maintenance and operations tax collections and the count of students in weighted average daily attendance (WADA) will come from the most recently published summary of finance for the most recent school year that is in Final or Near Final status.
- (f) Definitions. The following terms have the following meanings when used in this section.
  - (1) State maximum compressed tax rate--The state compression percentage multiplied by \$1.50.
  - (2) Maintenance and operations tax collections per WADA--The maintenance and operations tax collections net of payments into a tax increment fund and net of payments for an Instructional Facilities Allotment lease purchase arrangement as reported in the most recently available school year that is in Final or Near Final status divided by the count of students in weighted average daily attendance as reported in the same summary of finance.
  - (3) Video equipment--Video equipment as described in §103.1301(b)(8) of this title (relating to Video Surveillance of Certain Special Education Settings).
  - (4) Eligible requests--An eligible request for funds is a request for video equipment that is necessary to comply with the provisions of the TEC, §29.022, and that has not received funds under this section in a prior application cycle or through a gift, grant, or donation under the TEC, §29.022(f).

- (g) Deadlines. The commissioner will announce a deadline in conjunction with making a determination that excess funds are available for the purpose of implementing the TEC, §42.2528. All applications received by the announced deadline will be reviewed. Successful applications will be ranked according to the criteria in subsection (h) of this section.
- (h) Priority status. Upon close of the application cycle, all eligible applications will be awarded priority status in accordance with the criteria outlined in paragraphs (1)-(4) of this subsection. All applications within Priority 1 will be fully funded before funds are allocated to Priority 2 and Priority 3. Funds not used for Priority 1 will be allocated to Priority 2 and Priority 3 in proportion to the total funds requested by school districts in those categories. If Priority 2 and Priority 3 applications are fully funded, remaining funds will be allocated to Priority 4.
  - (1) Priority 1. Applications from school districts that have current-year adopted tax rates for maintenance and operations of at least \$1.17. If insufficient funds remain to fully fund all Priority 1 applications, funds will be awarded in proportion to the amount of eligible requests for each applicant compared to total available funds.
  - (2) Priority 2. Applications from school districts with maintenance and operations tax rates at least equal to the state maximum compressed tax rate. Priority 2 applications will be sorted by maintenance and operations tax collections per WADA and Priority 2 funds shall be awarded beginning with the school district with the lowest collections per WADA.
  - (3) Priority 3. Applications from school districts with interest and sinking fund tax rates of at least \$0.40 per \$100 of valuation. Priority 3 applications will be sorted by interest and sinking tax rates, and Priority 3 funds shall be awarded beginning with the school district with the highest interest and sinking tax rate. If insufficient funds remain to fully fund all Priority 3 school districts at a given interest and sinking tax rate, remaining funds will be awarded in proportion to the amount of eligible requests for each applicant compared to total available funds.
  - (4) Priority 4. All other applications. Remaining funds available for Priority 4 applications, including charter schools, shall be awarded in proportion to the amount of eligible requests compared to total available funds.
- (i) Distribution of funds. Funds will be allocated through the FSP and will appear on the school district or charter school summary of finance and be delivered as soon as is practicable after awards have been made.